

MOTION BY SUPERVISOR HILDA L. SOLIS

Advocating for Mental Health Services Act (MHSA) Flexibility

In November 2004, California voters supported Proposition 63 and passed the Mental Health Services Act (MHSA), which imposed a 1% income tax on personal income in excess of \$1 million. This transformative initiative has provided significant funding to expand and transform public mental health systems to improve the quality of life for individuals living with a mental illness. MHSA funds an array of services, beginning with prevention and integrating it into a comprehensive system of care to treat the whole person, with a focus on wellness, recovery, and resilience.

While MHSA has played an instrumental role in helping keep vulnerable residents out of hospitals, off the streets, and out of the jails, since 2004 it has become clear that requirements concerning how the funds are spent need to loosen in order to meet the current mental health and substance use needs, which are at crisis levels in Los Angeles County. MHSA funds are allocated into specific spending categories that counties must abide by. While these targeted funding streams have been critical in investments in infrastructure, innovation, prevention, and other important objectives, the current structures have, at times, made it difficult to utilize available funds. In addition, the MHSA requires that each county mental health program prepare and submit a three-year plan, which must be updated at least annually and approved by the California

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Department of Health Care Services after review and comment by the Mental Health Oversight and Accountability Commission. MHSA further requires that each county establish requirements for the content of the plans. While these requirements align with the intent of MHSA and provide transparency regarding how the money is spent, counties are often unable to utilize funding and resources in the swift manner needed to respond to a countywide crisis, such as the homelessness emergency, the overdose crisis, and lack of resources when individuals are released from jails.

Mental health professionals and county representatives have highlighted the need for more local flexibility in the ability to spend available resources, including the ability to shift funds from one MHSA category to another as the local needs warrant. Additionally, counties would greatly benefit from the ability to utilize MHSA funding to invest in capital projects, especially in Los Angeles County where a shortage in critical beds for mental health and substance use is greatly contributing to the crises playing out on the streets, in the emergency departments, and in the jails. Counties would also significantly benefit from the ability to use available MHSA resources to support beds and services for longer timeframes. Greater flexibility regarding timeframes to allow localities to spend more quickly to address urgent needs would also greatly contribute in helping respond to mental health needs. These changes would allow counties to more efficiently utilize available MHSA funds needed to serve their most vulnerable residents. As Los Angeles County continues to scale-up its response to the emergency declaration on homelessness and prepare for an increased demand for mental health resources as part of the first cohort of CARE Court,

more flexible funding streams are critical.

I, THEREFORE, MOVE that the Board of Supervisors instruct the Chief Executive Office (CEO) Legislative Affairs team, in collaboration with the Department of Mental Health, to send a five-signature letter to Governor Gavin Newsom to support and advocate for MHSA flexibility.

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